

# EXHIBIT C

### Exhibit C – Walmart

Walmart has numerous policies, procedures, and systems in place to prevent the diversion of controlled substances, including opioids, which places it in substantial compliance with the Court's Injunction Order. *See, e.g.,* [https://corporate.walmart.com/media-library/document/walmart-efforts-to-address-opioid-crisis/\\_proxyDocument?id=00000175-51cb-dca8-ad77-73cfbf9c0000](https://corporate.walmart.com/media-library/document/walmart-efforts-to-address-opioid-crisis/_proxyDocument?id=00000175-51cb-dca8-ad77-73cfbf9c0000).

For example:

- **Controlled Substance Compliance Program/Personnel** (*see, e.g., Injunction Order at § I.C, IV, VI*): Walmart maintains a controlled substance compliance program, which includes, but is not limited to, policies, procedures, and training to prevent diversion of controlled substances and to comply with state and federal controlled substance laws and regulations and committee oversight. Such policies, procedures, and training apply to Walmart's retail pharmacy stores nationwide, including its stores within the Counties, and are readily accessible by relevant Walmart associates. Walmart likewise has specific personnel with responsibilities for overseeing controlled substance compliance issues, and such personnel include individuals with knowledge of and experience with state and federal controlled substance laws and regulations.
- **Staffing** (*see, e.g., Injunctive Order at IV*): Walmart reviews staffing levels for its Health & Wellness Compliance function, including resources needed for controlled substance compliance, on at least an annual basis.
- **Hotlines** (*see, e.g., Injunction Order at § IV*): Walmart publishes information regarding how individuals can report concerns, which could include suspected inappropriate or illegitimate dispensing, prescribing, or diversion of controlled substances, violations of its controlled substance policies and procedures, violations of other company policy, and violations of other applicable law. Concerns may be reported by calling or emailing and are anonymous if the individual reporting the complaint does not reveal their name. *See, e.g.,* Walmart's Global Ethics Hotline (1-800-WM-ETHIC / [ethics@wal-mart.com](mailto:ethics@wal-mart.com) / [www.walmartethics.com](http://www.walmartethics.com)); Pharmacy Operations Manual ("POM") 205.
- **Independence** (*see, e.g., Injunction Order at § V*): Walmart's pharmacy and compliance associates are not compensated in whole or in part by commissions, bonuses, incentives or any other monetary or non-pecuniary benefit that depends in any part on revenue or profitability targets or expectations specific to sales of controlled substances. Likewise, these Walmart associates<sup>1</sup> cannot be terminated, suspended, threatened with or face any other negative employment consequence for failing to meet any revenue or profitability targets/expectations specific to sales of controlled substances.
- **Training** (*see, e.g., Injunction Order at § VII*): Upon hire and at regular intervals thereafter, Walmart requires its pharmacists and pharmacy technicians to undergo training

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<sup>1</sup>This includes Walmart's pharmacists and pharmacist technicians in the Counties, Walmart's field personnel who supervise its pharmacists and pharmacist technicians in the Counties, and Walmart's Controlled Substance Compliance Department personnel.

on controlled substance diversion, state and federal controlled substance laws and regulations, and Walmart's controlled substance policies and procedures.

- **Prescription Validation Process (see, e.g., Injunction Order at § VIII):** Walmart has a prescription validation process in place that requires its pharmacists to identify and document resolution of red flags and refusals to fill. *See, e.g.,* POM 1311; POM 1703; POM 1316; POM 1317; POM 1318; POM 1319. Walmart also has in place a system to check the licensure status of a prescriber through a subscription with a third party that obtains information from each state and the Drug Enforcement Administration. In addition, Walmart has instructed its Ohio pharmacists and pharmacy technicians that, starting September 23, 2022, Ohio law requires that all Schedule II controlled substance prescriptions be submitted as electronic prescriptions, absent certain circumstances enumerated under Ohio law. (*See, e.g.,* Injunction Order at § VIII D).
- **Red Flags (see, e.g., Injunction Order at § IX):** Walmart's controlled substance policies and procedures identify red flags that overlap significantly in substance with those contained in the Court's Injunction Order, require documentation of the resolution of those red flags, and require that pharmacists shall refuse to dispense controlled substances that they believe were prescribed or are being used for other than a legitimate medical purpose or that they believe were not prescribed by an individual prescriber acting in the usual course of his or her professional practice. *See, e.g.,* POM 1311; POM 1703; POM 1318.
- **Prescriber Review (see, e.g., Injunction Order at § X):** Walmart maintains a Prescriber Review Committee, which regularly reviews the prescribing patterns and practices of prescribers of controlled substances. The controlled substance prescriptions of any prescriber blocked by Walmart's Prescriber Review Committee are automatically blocked from being filled at Walmart's pharmacies. Such a block is on top of and in addition to any block based on a prescriber's licensure. *See, e.g.,* POM 1323.
- **Diligence and Site Visits (see, e.g., Injunctive Order at § XI):** Walmart conducts periodic proactive compliance reviews of its retail pharmacy stores to assist with the identification of potential compliance issues related to the dispensing of controlled substances.
- **Inventory, Record Keeping, and Theft and Loss Prevention Controls (see, e.g., Injunctive Order at § XI.C, XIV):** Walmart has in place numerous processes to oversee inventory, record keeping, and theft and loss prevention controls at its retail pharmacy stores. These include but are not limited to monthly and annual inventory counts (POM 1315), policies concerning discrepancy reporting (POM 813), policies concerning order receiving (POM 807); controls in the fill process (POM 1008), additional fill controls for Schedule II controlled substances (POM 903), physical security controls in the pharmacy (POM 902), and others.
- **Controlled Substance Disposal (see, e.g., Injunctive Order at § XII):** Walmart provides information about safe disposal of controlled substance medications and a Dispose Rx (safe disposal) packet to any patient upon request at no cost to the patient. Walmart requires that

all patients filling initial acute opioid prescriptions be provided a “Let’s talk about prescription opioids” brochure containing information on safe disposal options for patients and be provided DisposeRx (a safe disposal packet). Walmart policy also provides that patients on longer-term opioid therapy receive the brochure and safe disposal packet every six months. Finally, Walmart also makes pharmaceutical disposal kiosks available within the Counties.

- **Naloxone (see, e.g., Injunctive Order at § XIII):** Walmart has a policy permitting each of its retail pharmacies in the Counties to dispense naloxone consistent with Ohio law.
- **Reporting to Law Enforcement (see, e.g., Injunctive Order at § XV):** Walmart maintains standard operating procedures directing its employees to report any confirmed forged prescriptions to local law enforcement, and state and federal regulatory agencies. *See* POM 1703.

There are certain specific requirements in the Order that are consistent with existing policy and procedure but will be revised to track the specific language of the Order. For example, the Order will require the policies and procedures to specify “red flags” based on a distance of 50 miles, rather than the existing policies and procedures that specify distance more generally leaving the issue to the professional judgment of the pharmacist. Walmart is also preparing signs for its stores in the Counties providing information about Walmart’s hotlines.

Finally, there are certain additional elements of the Injunctive Order that are specific to the administration of the Order and will require additional work to implement. For example, Walmart will need to put in place processes for the preparation of the specific reports to be provided on a quarterly and annual basis internally and/or to the Administrator required by the Injunction Order (see, e.g., § IV.C). The Order also specifies the agenda for the committee that serves the function of the “Controlled Substance Compliance Committee” in the Injunction Order (e.g., the committee is to discuss adherence to the Injunction Order). The Order requires that certain identified personnel be trained and tested on the requirements of the Order. The Order also imposes various recordkeeping requirements. Walmart will put these procedures in place, as well as any necessary modifications to the policies, procedures and systems described above, by November 15, 2022.